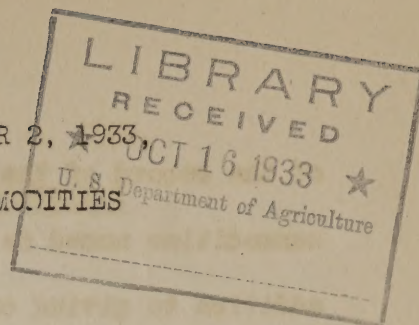


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ORDER OF PROCEDURE FOR THE HEARING ON OCTOBER 2, 1933,

WITH REFERENCE TO PROCESSING TAXES ON COMMODITIES

IN COMPETITION WITH COTTON.



This is a hearing to be held under Title I, Section 15 (d) of the Agricultural Adjustment Act.

Section 15 (d) reads as follows:

"(d) The secretary of Agriculture shall ascertain from time to time whether the payment of the processing tax upon any basic agricultural commodity is causing or will cause to the processors thereof disadvantages in competition from competing commodities by reason of excessive shifts in consumption between such commodities or products thereof. If the Secretary of Agriculture finds, after investigation and due notice and opportunity for hearing to interested parties, that such disadvantages in competition exist, or will exist, he shall proclaim such finding. The Secretary shall specify in this proclamation the competing commodity and the compensating rate of tax on the processing thereof necessary to prevent such disadvantages in competition. Thereafter there shall be levied, assessed, and collected upon the first domestic processing of such competing commodity a tax, to be paid by the processor, at the rate specified, until such rate is altered pursuant to a further finding under this section, or the tax or rate thereof on the basic agricultural commodity is altered or terminated. In no case shall the tax imposed upon such competing commodity exceed that imposed per equivalent unit, as determined by the Secretary, upon the basic agricultural commodity."

The hearing will be called on October 2, 1933, in the Auditorium of the National Museum, Constitution Avenue and Tenth Street, Washington, D. C., at 9:30 A. M.

This hearing is supplementary to the hearing held on July 31 and August 1, 1933, which dealt generally with commodities and/or products thereof in competition with cotton. The entire record of the hearing of July 31 and August 1, 1933, together with the written statements and evidence subsequently filed with the Chief Hearing Clerk, will be considered as a part

of the record of the hearing of October 2, 1933 insofar as concerns the commodities named in the notice of hearing of September 21, 1933. In addition to giving consideration to the data developed at said hearing of July 31 and August 1, 1933, the Secretary of Agriculture has since caused further investigations to be made, within the purview of Section 15, subsection (d) of the Act. It is hoped that, at the hearing of October 2, 1933, further valuable information and data will be procured from interested persons which will assist the Secretary in ascertaining whether the processing tax on cotton is causing or will cause to processors thereof disadvantages in competition from competing commodities by reason of excessive shifts in consumption between cotton, or the products thereof, and the commodities named in the notice of hearing, or the products thereof, and in making such determinations and findings and in issuing such proclamations as may be necessary under and in accordance with Section 15, subsection (d) of the Act. The hearing will be conducted strictly in accordance with the Act, and no tentative findings, determinations or proclamations will be made or issued.

The following shall be the course of procedure for the hearing:

I. At the opening of the hearing, appearances filed in advance, or entered by those present, will be recorded.

II. General statements by Presiding Officer:

(a) Statutory provisions involved.

(b) Reading of Notice given.

(c) Any other statements deemed pertinent.

III. Testimony and evidence. Testimony will be heard and evidence received upon the question as to whether payment of the processing tax upon cotton as determined under Section 9 (b) of the Act is causing or will

cause to the processors thereof disadvantages in competition from paper, jute, hemp, sisal, henequen, abaca, istle or ixtle, phormium, kapok, crin vegetal, sunn, cantala, piteira, coir or piassava, by reason of excessive shifts in consumption between such commodities or products thereof.

(a) Testimony and evidence relating to the above-mentioned commodities or products thereof will be heard in the order said commodities are set forth above. Parties desiring to present testimony and/or evidence may be required to do so under oath or affirmation, and parties desiring to present written statements may be required to verify same by affidavit.

(b) The testimony and evidence relating to any given commodity or its products shall be given and/or presented as follows: If there are any interested parties who claim, that, for example, commodity X is a competing commodity as to all or as to part of its products, they will be allowed to give testimony as to the necessity of a compensating tax on commodity X, or upon the processing in certain forms of commodity X, directed to: (1) the affirmative of the question as to whether the payment of the processing tax upon cotton is causing or will cause to the processors thereof disadvantages in competition from commodity X, or its products, by reason of excessive shifts in consumption between such commodities or products thereof, and (2) the unit of commodity X which is equivalent to the unit of cotton with reference to which the processing tax upon cotton is imposed, and (3) the compensating rate of tax on the processing of commodity X, or upon the processing in certain forms of commodity X, necessary to prevent such disadvantages in competition.

(c) The representatives of the Department of Agriculture assigned to this hearing may ask any questions of each witness relating to the testimony given and/or the evidence presented in support of such testimony,

to bring out all of the facts.

(d) With a view to orderly procedure, any other questions asked from the floor, by or on behalf of any interested person, must be put to the Presiding Officer, who shall determine whether or not these questions are proper ones to be put to the witness; if he so determines, the Presiding Officer will put the questions to the witness. If he determines otherwise, the questions will not be put to the witness.

(e) After all of the interested parties asserting the necessity of a compensating tax upon the processing of commodity X, or upon the processing in certain forms of commodity X, have been heard, those interested parties who wish to present testimony to the effect that commodity X or the products thereof are not, in whole, or in part, in competition with cotton or the products thereof will be heard. They may also present testimony as to the unit of commodity X which is equivalent to the taxable unit of cotton, and the rate of tax, if any, which they conceive should be imposed upon the processing of commodity X or upon the processing in certain forms of commodity X.

(f) After all of the negative testimony and evidence has been presented and/or received, the proponents of a compensating tax upon commodity X may give testimony and present evidence in rebuttal.

(g) As to negative and rebuttal testimony and evidence, the procedure of sections (c) and (d) above shall apply.

IV. The Presiding Officer, if he determines it advisable or necessary, may limit the time to be devoted to the hearing or to any question or questions to be considered in this hearing, or the time which will be allowed to any witness.

V. Since the purpose of this hearing is to provide evidence of facts

upon which the Secretary may act under subsection (d) of Section 15 of Title I of the Act, it will not be appropriate to present arguments upon issues of law at this hearing. If any interested person desires to raise any question of law, he may file a written argument with the Chief Hearing Clerk at the close of the hearing, or within such time thereafter as the Presiding Officer may determine and announce. No less than ten copies of said written argument shall be received by the Chief Hearing Clerk, unless the Presiding Officer shall determine and announce that a lesser number may be filed. A copy of any such written arguments shall be on file and open to public inspection at reasonable times.

VI. The control of the manner of presentation of testimony and evidence at the hearings shall rest entirely with the Presiding Officer.

VII. At the termination of the hearing, or within such time thereafter as the Presiding Officer may determine and announce, interested parties may file with the Chief Hearing Clerk supplementary statements in writing, or written arguments, with respect to questions of law or of fact. Statements containing factual matter will not be received unless submitted in the form of an affidavit or unless supported by an appropriate affidavit. No less than ten copies of any such document shall be received by the Chief Hearing Clerk, unless the Presiding Officer shall determine and announce that a lesser number may be filed. A copy of any such document shall be on file and open to public inspection at reasonable times.

VIII. All testimony and statements shall be directed toward and confined to the considerations set forth in subsection (d) of Section 15 of Title I of the Act.

